

107TH CONGRESS
1ST SESSION

H. R. 2904

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 26, 2001

Ordered to be printed with the amendment of the Senate

[Strike out all after the enacting clause and insert the part printed in italic]

AN ACT

Making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2002, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any
4 money in the Treasury not otherwise appropriated for
5 military construction, family housing, and base realign-
6 ment and closure functions administered by the Depart-
7 ment of Defense, for the fiscal year ending September 30,
8 2002, and for other purposes, namely:

1 MILITARY CONSTRUCTION, ARMY

2 (INCLUDING RESCISSION)

3 For acquisition, construction, installation, and equip-
4 ment of temporary or permanent public works, military
5 installations, facilities, and real property for the Army as
6 currently authorized by law, including personnel in the
7 Army Corps of Engineers and other personal services nec-
8 essary for the purposes of this appropriation, and for con-
9 struction and operation of facilities in support of the func-
10 tions of the Commander in Chief, \$1,739,334,000, to re-
11 main available until September 30, 2006: *Provided*, That
12 of this amount, not to exceed \$163,141,000 shall be avail-
13 able for study, planning, design, architect and engineer
14 services, and host nation support, as authorized by law,
15 unless the Secretary of Defense determines that additional
16 obligations are necessary for such purposes and notifies
17 the Committees on Appropriations of both Houses of Con-
18 gress of his determination and the reasons therefor: *Pro-*
19 *vided further*, That of the funds appropriated for “Military
20 Construction, Army” under Public Law 106–52,
21 \$36,400,000 is hereby rescinded.

22 MILITARY CONSTRUCTION, NAVY

23 (INCLUDING RESCISSION)

24 For acquisition, construction, installation, and equip-
25 ment of temporary or permanent public works, naval in-

1 stallations, facilities, and real property for the Navy as
2 currently authorized by law, including personnel in the
3 Naval Facilities Engineering Command and other per-
4 sonal services necessary for the purposes of this appropria-
5 tion, \$1,154,248,000, to remain available until September
6 30, 2006: *Provided*, That of this amount, not to exceed
7 \$30,972,000 shall be available for study, planning, design,
8 architect and engineer services, as authorized by law, un-
9 less the Secretary of Defense determines that additional
10 obligations are necessary for such purposes and notifies
11 the Committees on Appropriations of both Houses of Con-
12 gress of his determination and the reasons therefor: *Pro-*
13 *vided further*, That of the funds appropriated for “Military
14 Construction, Navy” under division A of Public Law 106–
15 246, \$19,588,000 is hereby rescinded.

16 MILITARY CONSTRUCTION, AIR FORCE

17 For acquisition, construction, installation, and equip-
18 ment of temporary or permanent public works, military
19 installations, facilities, and real property for the Air Force
20 as currently authorized by law, \$1,185,220,000, to remain
21 available until September 30, 2006: *Provided*, That of this
22 amount, not to exceed \$83,000,000 shall be available for
23 study, planning, design, architect and engineer services,
24 as authorized by law, unless the Secretary of Defense de-
25 termines that additional obligations are necessary for such

1 purposes and notifies the Committees on Appropriations
2 of both Houses of Congress of his determination and the
3 reasons therefor.

4 ~~MILITARY CONSTRUCTION, DEFENSE-WIDE~~

5 ~~(INCLUDING TRANSFER AND RESCISSION OF FUNDS)~~

6 ~~For acquisition, construction, installation, and equip-~~
7 ~~ment of temporary or permanent public works, installa-~~
8 ~~tions, facilities, and real property for activities and agen-~~
9 ~~cies of the Department of Defense (other than the military~~
10 ~~departments), as currently authorized by law,~~
11 ~~\$863,058,000, to remain available until September 30,~~
12 ~~2006: *Provided*, That such amounts of this appropriation~~
13 ~~as may be determined by the Secretary of Defense may~~
14 ~~be transferred to such appropriations of the Department~~
15 ~~of Defense available for military construction or family~~
16 ~~housing as he may designate, to be merged with and to~~
17 ~~be available for the same purposes, and for the same time~~
18 ~~period, as the appropriation or fund to which transferred:~~
19 ~~*Provided further*, That of the amount appropriated, not~~
20 ~~to exceed \$74,496,000 shall be available for study, plan-~~
21 ~~ning, design, architect and engineer services, as authorized~~
22 ~~by law, unless the Secretary of Defense determines that~~
23 ~~additional obligations are necessary for such purposes and~~
24 ~~notifies the Committees on Appropriations of both Houses~~
25 ~~of Congress of his determination and the reasons therefor:~~

1 *Provided further*, That of the funds appropriated for “Mili-
2 tary Construction, Defense-wide” under division B, title
3 III, chapter 3 of Public Law 106–246, \$10,250,000 is
4 hereby rescinded.

5 MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

6 For construction, acquisition, expansion, rehabilita-
7 tion, and conversion of facilities for the training and ad-
8 ministration of the Army National Guard, and contribu-
9 tions therefor, as authorized by chapter 1803 of title 10,
10 United States Code, and Military Construction Authoriza-
11 tion Acts, \$313,348,000, to remain available until Sep-
12 tember 30, 2006.

13 MILITARY CONSTRUCTION, AIR NATIONAL GUARD

14 For construction, acquisition, expansion, rehabilita-
15 tion, and conversion of facilities for the training and ad-
16 ministration of the Air National Guard, and contributions
17 therefor, as authorized by chapter 1803 of title 10, United
18 States Code, and Military Construction Authorization
19 Acts, \$198,803,000, to remain available until September
20 30, 2006.

21 MILITARY CONSTRUCTION, ARMY RESERVE

22 For construction, acquisition, expansion, rehabilita-
23 tion, and conversion of facilities for the training and ad-
24 ministration of the Army Reserve as authorized by chapter
25 1803 of title 10, United States Code, and Military Con-

struction Authorization Acts, \$167,769,000, to remain
available until September 30, 2006.

MILITARY CONSTRUCTION, NAVAL RESERVE

(INCLUDING RESCISSION)

For construction, acquisition, expansion, rehabilita-
tion, and conversion of facilities for the training and ad-
ministration of the reserve components of the Navy and
Marine Corps as authorized by chapter 1803 of title 10,
United States Code, and Military Construction Authoriza-
tion Acts, \$62,351,000, to remain available until Sep-
tember 30, 2006: *Provided further*, That of the funds ap-
propriated for “Military Construction, Naval Reserve”
under division A of Public Law 106-246, \$925,000 is
hereby rescinded.

MILITARY CONSTRUCTION, AIR FORCE RESERVE

For construction, acquisition, expansion, rehabilita-
tion, and conversion of facilities for the training and ad-
ministration of the Air Force Reserve as authorized by
chapter 1803 of title 10, United States Code, and Military
Construction Authorization Acts, \$81,882,000, to remain
available until September 30, 2006.

NORTH ATLANTIC TREATY ORGANIZATION

SECURITY INVESTMENT PROGRAM

For the United States share of the cost of the North
Atlantic Treaty Organization Security Investment Pro-

1 gram for the acquisition and construction of military fa-
 2 cilities and installations (including international military
 3 headquarters) and for related expenses for the collective
 4 defense of the North Atlantic Treaty Area as authorized
 5 in Military Construction Authorization Acts and section
 6 2806 of title 10, United States Code, \$162,600,000, to
 7 remain available until expended.

8 FAMILY HOUSING CONSTRUCTION, ARMY

9 For expenses of family housing for the Army for con-
 10 struction, including acquisition, replacement, addition, ex-
 11 pansion, extension and alteration, as authorized by law,
 12 \$294,042,000, to remain available until September 30,
 13 2006.

14 FAMILY HOUSING OPERATION AND MAINTENANCE,
 15 ARMY

16 For expenses of family housing for the Army for op-
 17 eration and maintenance, including debt payment, leasing,
 18 minor construction, principal and interest charges, and in-
 19 surance premiums, as authorized by law, \$1,096,431,000.

20 FAMILY HOUSING CONSTRUCTION, NAVY AND MARINE
 21 CORPS

22 For expenses of family housing for the Navy and Ma-
 23 rine Corps for construction, including acquisition, replace-
 24 ment, addition, expansion, extension and alteration, as au-

1 thorized by law, ~~\$234,780,000~~, to remain available until
2 September 30, 2006.

3 ~~FAMILY HOUSING OPERATION AND MAINTENANCE,~~
4 ~~NAVY AND MARINE CORPS~~

5 For expenses of family housing for the Navy and Ma-
6 rine Corps for operation and maintenance, including debt
7 payment, leasing, minor construction, principal and inter-
8 est charges, and insurance premiums, as authorized by
9 law, ~~\$910,095,000~~.

10 ~~FAMILY HOUSING CONSTRUCTION, AIR FORCE~~

11 For expenses of family housing for the Air Force for
12 construction, including acquisition, replacement, addition,
13 expansion, extension and alteration, as authorized by law,
14 ~~\$536,237,000~~, to remain available until September 30,
15 2006.

16 ~~FAMILY HOUSING OPERATION AND MAINTENANCE, AIR~~
17 ~~FORCE~~

18 For expenses of family housing for the Air Force for
19 operation and maintenance, including debt payment, leas-
20 ing, minor construction, principal and interest charges,
21 and insurance premiums, as authorized by law,
22 ~~\$858,121,000~~.

23 ~~FAMILY HOUSING, DEFENSE-WIDE~~

24 For expenses of family housing for the activities and
25 agencies of the Department of Defense (other than the

1 military departments) for construction, including acquisi-
 2 tion, replacement, addition, expansion, extension and al-
 3 teration, and for operation and maintenance, leasing, and
 4 minor construction, as authorized by law, as follows: for
 5 construction, \$250,000 to remain available until Sep-
 6 tember 30, 2006; for Operation and Maintenance,
 7 \$43,762,000; in all \$44,012,000.

8 DEPARTMENT OF DEFENSE FAMILY HOUSING
 9 IMPROVEMENT FUND

10 For the Department of Defense Family Housing Im-
 11 provement Fund, \$2,000,000, to remain available until ex-
 12 pended, for family housing initiatives undertaken pursu-
 13 ant to section 2882 of title 10, United States Code, pro-
 14 viding alternative means of acquiring and improving mili-
 15 tary family housing, and supporting facilities.

16 HOMEOWNERS ASSISTANCE FUND, DEFENSE

17 For the Homeowners Assistance Fund established by
 18 Section 1013 of the Demonstration Cities and Metropoli-
 19 tan Development Act of 1966, as amended (42 U.S.C.
 20 3374) \$10,119,000, to remain available until expended.

21 BASE REALIGNMENT AND CLOSURE ACCOUNT

22 For deposit into the Department of Defense Base
 23 Closure Account 1990 established by section 2906(a)(1)
 24 of the Department of Defense Authorization Act, 1991
 25 (Public Law 101-510), \$552,713,000, to remain available

1 until expended: *Provided*, That not more than
2 \$511,670,000 of the funds appropriated herein shall be
3 available solely for environmental restoration, unless the
4 Secretary of Defense determines that additional obliga-
5 tions are necessary for such purposes and notifies the
6 Committees on Appropriations of both Houses of Congress
7 of his determination and the reasons therefor.

8 GENERAL PROVISIONS

9 SEC. 101. None of the funds appropriated in Military
10 Construction Appropriations Acts shall be expended for
11 payments under a cost-plus-a-fixed-fee contract for con-
12 struction, where cost estimates exceed \$25,000, to be per-
13 formed within the United States, except Alaska, without
14 the specific approval in writing of the Secretary of Defense
15 setting forth the reasons therefor.

16 SEC. 102. Funds appropriated to the Department of
17 Defense for construction shall be available for hire of pas-
18 senger motor vehicles.

19 SEC. 103. Funds appropriated to the Department of
20 Defense for construction may be used for advances to the
21 Federal Highway Administration, Department of Trans-
22 portation, for the construction of access roads as author-
23 ized by section 210 of title 23, United States Code, when
24 projects authorized therein are certified as important to
25 the national defense by the Secretary of Defense.

1 SEC. 104. None of the funds appropriated in this Act
2 may be used to begin construction of new bases inside the
3 continental United States for which specific appropria-
4 tions have not been made.

5 SEC. 105. No part of the funds provided in Military
6 Construction Appropriations Acts shall be used for pur-
7 chase of land or land easements in excess of 100 percent
8 of the value as determined by the Army Corps of Engi-
9 neers or the Naval Facilities Engineering Command, ex-
10 cept: (1) where there is a determination of value by a Fed-
11 eral court; (2) purchases negotiated by the Attorney Gen-
12 eral or his designee; (3) where the estimated value is less
13 than \$25,000; or (4) as otherwise determined by the Sec-
14 retary of Defense to be in the public interest.

15 SEC. 106. None of the funds appropriated in Military
16 Construction Appropriations Acts shall be used to: (1) ac-
17 quire land; (2) provide for site preparation; or (3) install
18 utilities for any family housing; except housing for which
19 funds have been made available in annual Military Con-
20 struction Appropriations Acts.

21 SEC. 107. None of the funds appropriated in Military
22 Construction Appropriations Acts for minor construction
23 may be used to transfer or relocate any activity from one
24 base or installation to another, without prior notification
25 to the Committees on Appropriations.

1 SEC. 108. No part of the funds appropriated in Mili-
2 tary Construction Appropriations Acts may be used for
3 the procurement of steel for any construction project or
4 activity for which American steel producers, fabricators,
5 and manufacturers have been denied the opportunity to
6 compete for such steel procurement.

7 SEC. 109. None of the funds available to the Depart-
8 ment of Defense for military construction or family hous-
9 ing during the current fiscal year may be used to pay real
10 property taxes in any foreign nation.

11 SEC. 110. None of the funds appropriated in Military
12 Construction Appropriations Acts may be used to initiate
13 a new installation overseas without prior notification to
14 the Committees on Appropriations.

15 SEC. 111. None of the funds appropriated in Military
16 Construction Appropriations Acts may be obligated for ar-
17 chitect and engineer contracts estimated by the Govern-
18 ment to exceed \$500,000 for projects to be accomplished
19 in Japan, in any NATO member country, or in countries
20 bordering the Arabian Gulf, unless such contracts are
21 awarded to United States firms or United States firms
22 in joint venture with host nation firms.

23 SEC. 112. None of the funds appropriated in Military
24 Construction Appropriations Acts for military construc-
25 tion in the United States territories and possessions in the

1 Pacific and on Kwajalein Atoll, or in countries bordering
2 the Arabian Gulf, may be used to award any contract esti-
3 mated by the Government to exceed \$1,000,000 to a for-
4 eign contractor: *Provided*, That this section shall not be
5 applicable to contract awards for which the lowest respon-
6 sive and responsible bid of a United States contractor ex-
7 ceeds the lowest responsive and responsible bid of a for-
8 eign contractor by greater than 20 percent: *Provided fur-*
9 *ther*, That this section shall not apply to contract awards
10 for military construction on Kwajalein Atoll for which the
11 lowest responsive and responsible bid is submitted by a
12 Marshallese contractor.

13 SEC. 113. The Secretary of Defense is to inform the
14 appropriate committees of Congress, including the Com-
15 mittees on Appropriations, of the plans and scope of any
16 proposed military exercise involving United States per-
17 sonnel 30 days prior to its occurring, if amounts expended
18 for construction, either temporary or permanent, are an-
19 ticipated to exceed \$100,000.

20 SEC. 114. Not more than 20 percent of the appro-
21 priations in Military Construction Appropriations Acts
22 which are limited for obligation during the current fiscal
23 year shall be obligated during the last 2 months of the
24 fiscal year.

1 (TRANSFER OF FUNDS)

2 SEC. 115. Funds appropriated to the Department of
3 Defense for construction in prior years shall be available
4 for construction authorized for each such military depart-
5 ment by the authorizations enacted into law during the
6 current session of Congress.

7 SEC. 116. For military construction or family housing
8 projects that are being completed with funds otherwise ex-
9 pired or lapsed for obligation, expired or lapsed funds may
10 be used to pay the cost of associated supervision, inspec-
11 tion, overhead, engineering and design on those projects
12 and on subsequent claims, if any.

13 SEC. 117. Notwithstanding any other provision of
14 law, any funds appropriated to a military department or
15 defense agency for the construction of military projects
16 may be obligated for a military construction project or
17 contract, or for any portion of such a project or contract,
18 at any time before the end of the fourth fiscal year after
19 the fiscal year for which funds for such project were ap-
20 propriated if the funds obligated for such project: (1) are
21 obligated from funds available for military construction
22 projects; and (2) do not exceed the amount appropriated
23 for such project, plus any amount by which the cost of
24 such project is increased pursuant to law.

(TRANSFER OF FUNDS)

1
2 SEC. 118. During the 5-year period after appropria-
3 tions available to the Department of Defense for military
4 construction and family housing operation and mainte-
5 nance and construction have expired for obligation, upon
6 a determination that such appropriations will not be nec-
7 essary for the liquidation of obligations or for making au-
8 thorized adjustments to such appropriations for obliga-
9 tions incurred during the period of availability of such ap-
10 propriations, unobligated balances of such appropriations
11 may be transferred into the appropriation "Foreign Cur-
12 rency Fluctuations, Construction, Defense" to be merged
13 with and to be available for the same time period and for
14 the same purposes as the appropriation to which trans-
15 ferred.

16 SEC. 119. The Secretary of Defense is to provide the
17 Committees on Appropriations of the Senate and the
18 House of Representatives with an annual report by Feb-
19 ruary 15, containing details of the specific actions pro-
20 posed to be taken by the Department of Defense during
21 the current fiscal year to encourage other member nations
22 of the North Atlantic Treaty Organization, Japan, Korea,
23 and United States allies bordering the Arabian Gulf to as-
24 sume a greater share of the common defense burden of
25 such nations and the United States.

(TRANSFER OF FUNDS)

1
2 SEC. 120. During the current fiscal year, in addition
3 to any other transfer authority available to the Depart-
4 ment of Defense, proceeds deposited to the Department
5 of Defense Base Closure Account established by section
6 207(a)(1) of the Defense Authorization Amendments and
7 Base Closure and Realignment Act (Public Law 100-526)
8 pursuant to section 207(a)(2)(C) of such Act, may be
9 transferred to the account established by section
10 2906(a)(1) of the Department of Defense Authorization
11 Act, 1991, to be merged with, and to be available for the
12 same purposes and the same time period as that account.

13 SEC. 121. (a) No funds appropriated pursuant to this
14 Act may be expended by an entity unless the entity agrees
15 that in expending the assistance the entity will comply
16 with sections 2 through 4 of the Act of March 3, 1933
17 (41 U.S.C. 10a-10e, popularly known as the “Buy Amer-
18 ican Act”).

19 (b) No funds made available under this Act shall be
20 made available to any person or entity who has been con-
21 victed of violating the Act of March 3, 1933 (41 U.S.C.
22 10a-10e, popularly known as the “Buy American Act”).

23 SEC. 122. (a) In the case of any equipment or prod-
24 ucts that may be authorized to be purchased with financial
25 assistance provided under this Act, it is the sense of the

1 Congress that entities receiving such assistance should, in
2 expending the assistance, purchase only American-made
3 equipment and products.

4 (b) In providing financial assistance under this Act,
5 the Secretary of the Treasury shall provide to each recipi-
6 ent of the assistance a notice describing the statement
7 made in subsection (a) by the Congress.

8 (TRANSFER OF FUNDS)

9 SEC. 123. Subject to 30 days prior notification to the
10 Committees on Appropriations, such additional amounts
11 as may be determined by the Secretary of Defense may
12 be transferred to the Department of Defense Family
13 Housing Improvement Fund from amounts appropriated
14 for construction in "Family Housing" accounts, to be
15 merged with and to be available for the same purposes
16 and for the same period of time as amounts appropriated
17 directly to the Fund: *Provided*, That appropriations made
18 available to the Fund shall be available to cover the costs,
19 as defined in section 502(5) of the Congressional Budget
20 Act of 1974, of direct loans or loan guarantees issued by
21 the Department of Defense pursuant to the provisions of
22 subchapter IV of chapter 169, title 10, United States
23 Code, pertaining to alternative means of acquiring and im-
24 proving military family housing and supporting facilities.

1 ~~SEC. 124.~~ None of the funds appropriated or made
2 available by this Act may be obligated for Partnership for
3 Peace Programs in the New Independent States of the
4 former Soviet Union.

5 ~~SEC. 125.~~ (a) Not later than 60 days before issuing
6 any solicitation for a contract with the private sector for
7 military family housing the Secretary of the military de-
8 partment concerned shall submit to the congressional de-
9 fense committees the notice described in subsection (b).

10 ~~(b)(1)~~ A notice referred to in subsection (a) is a no-
11 tice of any guarantee (including the making of mortgage
12 or rental payments) proposed to be made by the Secretary
13 to the private party under the contract involved in the
14 event of—

15 ~~(A)~~ the closure or realignment of the installa-
16 tion for which housing is provided under the con-
17 tract;

18 ~~(B)~~ a reduction in force of units stationed at
19 such installation; or

20 ~~(C)~~ the extended deployment overseas of units
21 stationed at such installation.

22 ~~(2)~~ Each notice under this subsection shall specify
23 the nature of the guarantee involved and assess the extent
24 and likelihood, if any, of the liability of the Federal Gov-
25 ernment with respect to the guarantee.

1 (e) In this section, the term “congressional defense
2 committees” means the following:

3 (1) The Committee on Armed Services and the
4 Military Construction Subcommittee, Committee on
5 Appropriations of the Senate.

6 (2) The Committee on Armed Services and the
7 Military Construction Subcommittee, Committee on
8 Appropriations of the House of Representatives.

9 (TRANSFER OF FUNDS)

10 ~~SEC. 126.~~ During the current fiscal year, in addition
11 to any other transfer authority available to the Depart-
12 ment of Defense, amounts may be transferred from the
13 account established by section 2906(a)(1) of the Depart-
14 ment of Defense Authorization Act, 1991, to the fund es-
15 tablished by section 1013(d) of the Demonstration Cities
16 and Metropolitan Development Act of 1966 (42 U.S.C.
17 3374) to pay for expenses associated with the Home-
18 owners Assistance Program. Any amounts transferred
19 shall be merged with and be available for the same pur-
20 poses and for the same time period as the fund to which
21 transferred.

22 ~~SEC. 127.~~ Notwithstanding this or any other provi-
23 sion of law, funds appropriated in Military Construction
24 Appropriations Acts for operations and maintenance of
25 family housing shall be the exclusive source of funds for

1 repair and maintenance of all family housing units, includ-
2 ing flag and general officer quarters: *Provided*, That not
3 more than \$25,000 per unit may be spent annually for
4 the maintenance and repair of any general or flag officer
5 quarters without 30 days advance prior notification of the
6 appropriate committees of Congress: *Provided further*,
7 That the Under Secretary of Defense (Comptroller) is to
8 report annually to the Committees on Appropriations all
9 operations and maintenance expenditures, and all uses of
10 funds pursuant to 10 U.S.C. 2601, for each individual flag
11 and general officer quarters for the prior fiscal year: *Pro-*
12 *vided further*, That nothing herein precludes the Secretary
13 concerned from using funds pursuant to 10 U.S.C. 2601
14 or similar authority.

15 SEC. 128. The Army, Navy, Marine Corps, and Air
16 Force are directed to submit to the appropriate commit-
17 tees of the Congress by July 1, 2002, a Family Housing
18 Master Plan demonstrating how they plan to meet the
19 year 2010 housing goals with traditional construction, op-
20 eration and maintenance support, as well as privatization
21 initiative proposals. Each plan shall include projected life
22 cycle costs for family housing construction, basic allow-
23 ance for housing, operation and maintenance, other associ-
24 ated costs, and a time line for housing completions each
25 year.

(TRANSFER OF FUNDS)

SEC. 129. Of the funds made available in this Act, \$4,000,000 appropriated under the heading “Military Construction, Air Force” and \$4,000,000 appropriated under the heading “Military Construction, Defense-wide” shall be available to complete a military construction project for which funds were appropriated in Public Law 107–20 under the heading, “Military Construction, Air Force”.

This Act may be cited as the “Military Construction Appropriations Act, 2002”.

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for military construction, family housing, and base realignment and closure functions administered by the Department of Defense, for the fiscal year ending September 30, 2002, and for other purposes, namely:

MILITARY CONSTRUCTION, ARMY

(INCLUDING RESCISSION)

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Army as currently authorized by law, including personnel in the Army Corps of Engineers and other personal services necessary for the purposes of this appropriation, and for con-

1 *struction and operation of facilities in support of the func-*
 2 *tions of the Commander in Chief, \$1,668,957,000, to remain*
 3 *available until September 30, 2006: Provided, That of this*
 4 *amount, not to exceed \$176,184,000 shall be available for*
 5 *study, planning, design, architect and engineer services,*
 6 *and host nation support, as authorized by law, unless the*
 7 *Secretary of Defense determines that additional obligations*
 8 *are necessary for such purposes and notifies the Committees*
 9 *on Appropriations of both Houses of Congress of his deter-*
 10 *mination and the reasons therefor: Provided further, That*
 11 *of the funds appropriated for “Military Construction,*
 12 *Army” under division A of Public Law 106–246,*
 13 *\$26,400,000 are rescinded.*

14 *MILITARY CONSTRUCTION, NAVY*

15 *(INCLUDING RESCISSION)*

16 *For acquisition, construction, installation, and equip-*
 17 *ment of temporary or permanent public works, naval in-*
 18 *stallations, facilities, and real property for the Navy as cur-*
 19 *rently authorized by law, including personnel in the Naval*
 20 *Facilities Engineering Command and other personal serv-*
 21 *ices necessary for the purposes of this appropriation,*
 22 *\$1,148,633,000, to remain available until September 30,*
 23 *2006: Provided, That of this amount, not to exceed*
 24 *\$37,332,000 shall be available for study, planning, design,*
 25 *architect and engineer services, as authorized by law, unless*

1 *the Secretary of Defense determines that additional obliga-*
 2 *tions are necessary for such purposes and notifies the Com-*
 3 *mittees on Appropriations of both Houses of Congress of his*
 4 *determination and the reasons therefor: Provided further,*
 5 *That of the funds appropriated for “Military Construction,*
 6 *Navy” under division A of Public Law 106–246,*
 7 *\$19,588,000 are rescinded.*

8 *MILITARY CONSTRUCTION, AIR FORCE*

9 *(INCLUDING RESCISSION)*

10 *For acquisition, construction, installation, and equip-*
 11 *ment of temporary or permanent public works, military in-*
 12 *stallations, facilities, and real property for the Air Force*
 13 *as currently authorized by law, \$1,148,269,000, to remain*
 14 *available until September 30, 2006: Provided, That of this*
 15 *amount, not to exceed \$83,420,000 shall be available for*
 16 *study, planning, design, architect and engineer services, as*
 17 *authorized by law, unless the Secretary of Defense deter-*
 18 *mines that additional obligations are necessary for such*
 19 *purposes and notifies the Committees on Appropriations of*
 20 *both Houses of Congress of his determination and the rea-*
 21 *sons therefor: Provided further, That of the funds appro-*
 22 *priated for “Military Construction, Air Force” under pre-*
 23 *vious Military Construction Acts, \$4,000,000 are rescinded.*

1 *MILITARY CONSTRUCTION, DEFENSE-WIDE*2 *(INCLUDING TRANSFER AND RESCISSIONS OF FUNDS)*

3 *For acquisition, construction, installation, and equip-*
4 *ment of temporary or permanent public works, installa-*
5 *tions, facilities, and real property for activities and agen-*
6 *cies of the Department of Defense (other than the military*
7 *departments), as currently authorized by law,*
8 *\$881,058,000, to remain available until September 30,*
9 *2006: Provided, That such amounts of this appropriation*
10 *as may be determined by the Secretary of Defense may be*
11 *transferred to such appropriations of the Department of De-*
12 *fense available for military construction or family housing*
13 *as he may designate, to be merged with and to be available*
14 *for the same purposes, and for the same time period, as*
15 *the appropriation or fund to which transferred: Provided*
16 *further, That of the amount appropriated, not to exceed*
17 *\$88,496,000 shall be available for study, planning, design,*
18 *architect and engineer services, as authorized by law, unless*
19 *the Secretary of Defense determines that additional obliga-*
20 *tions are necessary for such purposes and notifies the Com-*
21 *mittees on Appropriations of both Houses of Congress of his*
22 *determination and the reasons therefor: Provided further,*
23 *That of the funds appropriated for “Military Construction,*
24 *Defense-wide” under division A of Public Law 106–246,*
25 *\$55,030,000 are rescinded: Provided further, That of the*

1 *funds appropriated for “Military Construction, Defense-*
2 *wide” under division B of Public Law 106–246,*
3 *\$10,250,000 are rescinded: Provided further, That of the*
4 *funds appropriated for “Military Construction, Defense-*
5 *Wide” under previous Military Construction Acts,*
6 *\$4,000,000 are rescinded.*

7 *MILITARY CONSTRUCTION, ARMY NATIONAL GUARD*

8 *For construction, acquisition, expansion, rehabilita-*
9 *tion, and conversion of facilities for the training and ad-*
10 *ministration of the Army National Guard, and contribu-*
11 *tions therefor, as authorized by chapter 1803 of title 10,*
12 *United States Code, and Military Construction Authoriza-*
13 *tion Acts, \$378,549,000, to remain available until Sep-*
14 *tember 30, 2006.*

15 *MILITARY CONSTRUCTION, AIR NATIONAL GUARD*

16 *For construction, acquisition, expansion, rehabilita-*
17 *tion, and conversion of facilities for the training and ad-*
18 *ministration of the Air National Guard, and contributions*
19 *therefor, as authorized by chapter 1803 of title 10, United*
20 *States Code, and Military Construction Authorization Acts,*
21 *\$222,767,000, to remain available until September 30,*
22 *2006.*

23 *MILITARY CONSTRUCTION, ARMY RESERVE*

24 *For construction, acquisition, expansion, rehabilita-*
25 *tion, and conversion of facilities for the training and ad-*

1 *ministration of the Army Reserve as authorized by chapter*
 2 *1803 of title 10, United States Code, and Military Con-*
 3 *struction Authorization Acts, \$111,404,000, to remain*
 4 *available until September 30, 2006.*

5 *MILITARY CONSTRUCTION, NAVAL RESERVE*
 6 *(INCLUDING RESCISSION)*

7 *For construction, acquisition, expansion, rehabilita-*
 8 *tion, and conversion of facilities for the training and ad-*
 9 *ministration of the reserve components of the Navy and Ma-*
 10 *rine Corps as authorized by chapter 1803 of title 10, United*
 11 *States Code, and Military Construction Authorization Acts,*
 12 *\$33,641,000, to remain available until September 30, 2006:*
 13 *Provided, That of the funds appropriated for “Military*
 14 *Construction, Naval Reserve” under division A of Public*
 15 *Law 106–246, \$925,000 are rescinded.*

16 *MILITARY CONSTRUCTION, AIR FORCE RESERVE*

17 *For construction, acquisition, expansion, rehabilita-*
 18 *tion, and conversion of facilities for the training and ad-*
 19 *ministration of the Air Force Reserve as authorized by*
 20 *chapter 1803 of title 10, United States Code, and Military*
 21 *Construction Authorization Acts, \$53,732,000, to remain*
 22 *available until September 30, 2006.*

1 *NORTH ATLANTIC TREATY ORGANIZATION SECURITY*
2 *INVESTMENT PROGRAM*

3 *For the United States share of the cost of the North*
4 *Atlantic Treaty Organization Security Investment Pro-*
5 *gram for the acquisition and construction of military facili-*
6 *ties and installations (including international military*
7 *headquarters) and for related expenses for the collective de-*
8 *fense of the North Atlantic Treaty Area as authorized in*
9 *Military Construction Authorization Acts and section 2806*
10 *of title 10, United States Code, \$162,600,000, to remain*
11 *available until expended.*

12 *FAMILY HOUSING, ARMY*

13 *For expenses of family housing for the Army for con-*
14 *struction, including acquisition, replacement, addition, ex-*
15 *pansion, extension and alteration and for operation and*
16 *maintenance, including debt payment, leasing, minor con-*
17 *struction, principal and interest charges, and insurance*
18 *premiums, as authorized by law, as follows: for Construc-*
19 *tion, \$312,742,000, to remain available until September 30,*
20 *2006; for Operation and Maintenance, and for debt pay-*
21 *ment, \$1,108,991,000; in all \$1,421,733,000.*

22 *FAMILY HOUSING, NAVY AND MARINE CORPS*

23 *For expenses of family housing for the Navy and Ma-*
24 *rine Corps for construction, including acquisition, replace-*
25 *ment, addition, expansion, extension and alteration and for*

1 *operation and maintenance, including debt payment, leas-*
 2 *ing, minor construction, principal and interest charges,*
 3 *and insurance premiums, as authorized by law, as follows:*
 4 *for Construction, \$312,600,000, to remain available until*
 5 *September 30, 2006; for Operation and Maintenance, and*
 6 *for debt payment, \$918,095,000; in all \$1,230,695,000.*

7 *FAMILY HOUSING, AIR FORCE*

8 *For expenses of family housing for the Air Force for*
 9 *construction, including acquisition, replacement, addition,*
 10 *expansion, extension and alteration and for operation and*
 11 *maintenance, including debt payment, leasing, minor con-*
 12 *struction, principal and interest charges, and insurance*
 13 *premiums, as authorized by law, as follows: for Construc-*
 14 *tion, \$550,703,000, to remain available until September 30,*
 15 *2006; for Operation and Maintenance, and for debt pay-*
 16 *ment, \$869,121,000; in all \$1,419,824,000.*

17 *FAMILY HOUSING, DEFENSE-WIDE*

18 *For expenses of family housing for the activities and*
 19 *agencies of the Department of Defense (other than the mili-*
 20 *tary departments) for construction, including acquisition,*
 21 *replacement, addition, expansion, extension and alteration,*
 22 *and for operation and maintenance, leasing, and minor*
 23 *construction, as authorized by law, as follows: for Construc-*
 24 *tion, \$250,000 to remain available until September 30,*

1 2006; for Operation and Maintenance, \$43,762,000; in all
2 \$44,012,000.

3 *DEPARTMENT OF DEFENSE FAMILY HOUSING*

4 *IMPROVEMENT FUND*

5 *For the Department of Defense Family Housing Im-*
6 *provement Fund, \$2,000,000, to remain available until ex-*
7 *pendent, for family housing initiatives undertaken pursuant*
8 *to section 2883 of title 10, United States Code, providing*
9 *alternative means of acquiring and improving military*
10 *family housing, and supporting facilities.*

11 *HOMEOWNERS ASSISTANCE FUND, DEFENSE*

12 *For the Homeowners Assistance Fund established by*
13 *Section 1013 of the Demonstration Cities and Metropolitan*
14 *Development Act of 1966, as amended (42 U.S.C. 3374)*
15 *\$10,119,000, to remain available until expended.*

16 *BASE REALIGNMENT AND CLOSURE ACCOUNT, PART IV*

17 *For deposit into the Department of Defense Base Clo-*
18 *sure Account 1990 established by section 2906(a)(1) of the*
19 *Department of Defense Authorization Act, 1991 (Public*
20 *Law 101-510), \$682,200,000, to remain available until ex-*
21 *pendent.*

22 *GENERAL PROVISIONS*

23 *SEC. 101. None of the funds appropriated in Military*
24 *Construction Appropriations Acts shall be expended for*
25 *payments under a cost-plus-a-fixed-fee contract for con-*

1 *struction, where cost estimates exceed \$25,000, to be per-*
2 *formed within the United States, except Alaska, without the*
3 *specific approval in writing of the Secretary of Defense set-*
4 *ting forth the reasons therefor.*

5 *SEC. 102. Funds appropriated to the Department of*
6 *Defense for construction shall be available for hire of pas-*
7 *senger motor vehicles.*

8 *SEC. 103. Funds appropriated to the Department of*
9 *Defense for construction may be used for advances to the*
10 *Federal Highway Administration, Department of Trans-*
11 *portation, for the construction of access roads as authorized*
12 *by section 210 of title 23, United States Code, when projects*
13 *authorized therein are certified as important to the national*
14 *defense by the Secretary of Defense.*

15 *SEC. 104. None of the funds appropriated in this Act*
16 *may be used to begin construction of new bases inside the*
17 *continental United States for which specific appropriations*
18 *have not been made.*

19 *SEC. 105. No part of the funds provided in Military*
20 *Construction Appropriations Acts shall be used for purchase*
21 *of land or land easements in excess of 100 percent of the*
22 *value as determined by the Army Corps of Engineers or*
23 *the Naval Facilities Engineering Command, except: (1)*
24 *where there is a determination of value by a Federal court;*
25 *(2) purchases negotiated by the Attorney General or his des-*

1 *ignee; (3) where the estimated value is less than \$25,000;*
2 *or (4) as otherwise determined by the Secretary of Defense*
3 *to be in the public interest.*

4 *SEC. 106. None of the funds appropriated in Military*
5 *Construction Appropriations Acts shall be used to: (1) ac-*
6 *quire land; (2) provide for site preparation; or (3) install*
7 *utilities for any family housing, except housing for which*
8 *funds have been made available in annual Military Con-*
9 *struction Appropriations Acts.*

10 *SEC. 107. None of the funds appropriated in Military*
11 *Construction Appropriations Acts for minor construction*
12 *may be used to transfer or relocate any activity from one*
13 *base or installation to another, without prior notification*
14 *to the Committees on Appropriations.*

15 *SEC. 108. No part of the funds appropriated in Mili-*
16 *tary Construction Appropriations Acts may be used for the*
17 *procurement of steel for any construction project or activity*
18 *for which American steel producers, fabricators, and manu-*
19 *facturers have been denied the opportunity to compete for*
20 *such steel procurement.*

21 *SEC. 109. None of the funds available to the Depart-*
22 *ment of Defense for military construction or family housing*
23 *during the current fiscal year may be used to pay real prop-*
24 *erty taxes in any foreign nation.*

1 *SEC. 110. None of the funds appropriated in Military*
2 *Construction Appropriations Acts may be used to initiate*
3 *a new installation overseas without prior notification to the*
4 *Committees on Appropriations.*

5 *SEC. 111. None of the funds appropriated in Military*
6 *Construction Appropriations Acts may be obligated for ar-*
7 *chitect and engineer contracts estimated by the Government*
8 *to exceed \$500,000 for projects to be accomplished in Japan,*
9 *in any NATO member country, or in countries bordering*
10 *the Arabian Gulf, unless such contracts are awarded to*
11 *United States firms or United States firms in joint venture*
12 *with host nation firms.*

13 *SEC. 112. None of the funds appropriated in Military*
14 *Construction Appropriations Acts for military construction*
15 *in the United States territories and possessions in the Pa-*
16 *cific and on Kwajalein Atoll, or in countries bordering the*
17 *Arabian Gulf, may be used to award any contract estimated*
18 *by the Government to exceed \$1,000,000 to a foreign con-*
19 *tractor: Provided, That this section shall not be applicable*
20 *to contract awards for which the lowest responsive and re-*
21 *sponsible bid of a United States contractor exceeds the low-*
22 *est responsive and responsible bid of a foreign contractor*
23 *by greater than 20 percent: Provided further, That this sec-*
24 *tion shall not apply to contract awards for military con-*
25 *struction on Kwajalein Atoll for which the lowest responsive*

1 *and responsible bid is submitted by a Marshallese con-*
2 *tractor.*

3 *SEC. 113. The Secretary of Defense is to inform the*
4 *appropriate committees of Congress, including the Commit-*
5 *tees on Appropriations, of the plans and scope of any pro-*
6 *posed military exercise involving United States personnel*
7 *30 days prior to its occurring, if amounts expended for con-*
8 *struction, either temporary or permanent, are anticipated*
9 *to exceed \$100,000.*

10 *SEC. 114. Not more than 20 percent of the appropria-*
11 *tions in Military Construction Appropriations Acts which*
12 *are limited for obligation during the current fiscal year*
13 *shall be obligated during the last 2 months of the fiscal year.*

14 *(TRANSFER OF FUNDS)*

15 *SEC. 115. Funds appropriated to the Department of*
16 *Defense for construction in prior years shall be available*
17 *for construction authorized for each such military depart-*
18 *ment by the authorizations enacted into law during the cur-*
19 *rent session of Congress.*

20 *SEC. 116. For military construction or family housing*
21 *projects that are being completed with funds otherwise ex-*
22 *pired or lapsed for obligation, expired or lapsed funds may*
23 *be used to pay the cost of associated supervision, inspection,*
24 *overhead, engineering and design on those projects and on*
25 *subsequent claims, if any.*

SEC. 118. During the 5-year period after appropriations available to the Department of Defense for military construction and family housing operation and maintenance and construction have expired for obligation, upon a determination that such appropriations will not be necessary for the liquidation of obligations or for making authorized adjustments to such appropriations for obligations incurred during the period of availability of such appropriations, unobligated balances of such appropriations may be transferred into the appropriation "Foreign Currency Fluctuations, Construction, Defense" to be merged with and to be available for the same time period and for the same purposes as the appropriation to which transferred.

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1 transferred to the Department of Defense Family Housing
 2 Improvement Fund from amounts appropriated for con-
 3 struction in “Family Housing” accounts, to be merged with
 4 and to be available for the same purposes and for the same
 5 period of time as amounts appropriated directly to the
 6 Fund: Provided, That appropriations made available to the
 7 Fund shall be available to cover the costs, as defined in sec-
 8 tion 502(5) of the Congressional Budget Act of 1974, of di-
 9 rect loans or loan guarantees issued by the Department of
 10 Defense pursuant to the provisions of subchapter IV of chap-
 11 ter 169, title 10, United States Code, pertaining to alter-
 12 native means of acquiring and improving military family
 13 housing and supporting facilities.

14 SEC. 122. None of the funds appropriated or made
 15 available by this Act may be obligated for Partnership for
 16 Peace Programs in the New Independent States of the
 17 former Soviet Union.

18 SEC. 123. (a) Not later than 60 days before issuing
 19 any solicitation for a contract with the private sector for
 20 military family housing the Secretary of the military de-
 21 partment concerned shall submit to the congressional de-
 22 fense committees the notice described in subsection (b).

23 (b)(1) A notice referred to in subsection (a) is a notice
 24 of any guarantee (including the making of mortgage or
 25 rental payments) proposed to be made by the Secretary to

1 *the private party under the contract involved in the event*
 2 *of—*

3 *(A) the closure or realignment of the installation*
 4 *for which housing is provided under the contract;*

5 *(B) a reduction in force of units stationed at*
 6 *such installation; or*

7 *(C) the extended deployment overseas of units*
 8 *stationed at such installation.*

9 *(2) Each notice under this subsection shall specify the*
 10 *nature of the guarantee involved and assess the extent and*
 11 *likelihood, if any, of the liability of the Federal Government*
 12 *with respect to the guarantee.*

13 *(c) In this section, the term “congressional defense*
 14 *committees” means the following:*

15 *(1) The Committee on Armed Services and the*
 16 *Military Construction Subcommittee, Committee on*
 17 *Appropriations of the Senate.*

18 *(2) The Committee on Armed Services and the*
 19 *Military Construction Subcommittee, Committee on*
 20 *Appropriations of the House of Representatives.*

21 *(TRANSFER OF FUNDS)*

22 *SEC. 124. During the current fiscal year, in addition*
 23 *to any other transfer authority available to the Department*
 24 *of Defense, amounts may be transferred from the account*
 25 *established by section 2906(a)(1) of the Department of De-*
 26 *fense Authorization Act, 1991, to the fund established by*

1 *section 1013(d) of the Demonstration Cities and Metropoli-*
2 *tan Development Act of 1966 (42 U.S.C. 3374) to pay for*
3 *expenses associated with the Homeowners Assistance Pro-*
4 *gram. Any amounts transferred shall be merged with and*
5 *be available for the same purposes and for the same time*
6 *period as the fund to which transferred.*

7 *SEC. 125. Notwithstanding this or any other provision*
8 *of law, funds appropriated in Military Construction Ap-*
9 *propriations Acts for operations and maintenance of family*
10 *housing shall be the exclusive source of funds for repair and*
11 *maintenance of all family housing units, including flag and*
12 *general officer quarters: Provided, That not more than*
13 *\$35,000 per unit may be spent annually for the mainte-*
14 *nance and repair of any general or flag officer quarters*
15 *without 30 days advance prior notification of the appro-*
16 *priate committees of Congress: Provided further, That the*
17 *Under Secretary of Defense (Comptroller) is to report annu-*
18 *ally to the Committees on Appropriations all operations*
19 *and maintenance expenditures for each individual flag and*
20 *general officer quarters for the prior fiscal year.*

21 *SEC. 126. In addition to the amounts provided in Pub-*
22 *lic Law 107–20, of the funds appropriated under the head-*
23 *ing “Military Construction, Air Force” in this Act,*
24 *\$8,000,000 is to remain available until September 30, 2005:*
25 *Provided, That notwithstanding any other provision of law,*

1 *such funds may be obligated or expended to carry out plan-*
2 *ning and design and military construction activities at the*
3 *Masirah Island Airfield in Oman, not otherwise authorized*
4 *by law.*

5 *SEC. 127. Not later than 90 days after the enactment*
6 *of this bill, the Secretary of Defense shall submit to the con-*
7 *gressional defense committees a master plan for the environ-*
8 *mental remediation of Hunters Point Naval Shipyard,*
9 *California. The plan shall identify an aggregate cost esti-*
10 *mate for the entire project as well as cost estimates for indi-*
11 *vidual parcels. The plan shall also include a detailed clean-*
12 *up schedule and an analysis of whether the Department is*
13 *meeting legal requirements and community commitments.*
14 *Following submission of the initial report, the Department*
15 *shall submit semi-annual progress reports to the congres-*
16 *sional defense committees.*

17 *SEC. 128. Of the funds available under the heading*
18 *“Military Construction, Defense-wide”, for the Pine Bluff*
19 *Ammunition Demilitarization Facility (Phase VI) the De-*
20 *partment may spend up to \$300,000 to conduct a feasibility*
21 *study of the requirement for a defense road at Pine Bluff*
22 *Arsenal, Arkansas.*

1 *This Act may be cited as the “Military Construction*
2 *Appropriations Act, 2002”.*

Passed the House of Representatives September 21,
2001.

Attest: **JEFF TRANDAH**,
Clerk.

Passed the Senate September 26, 2001.

Attest: JERI THOMSON,
Secretary.